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# The Effect of Stakeholder Involvement on Institutional Productivity in Selected Public Universities in Uganda

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### ABSTRACT

Due to the significant pressure faced by the public sector to demonstrate value for money, there is an ongoing imperative to improve the efficiency of public sector institutions. This research aimed to investigate the impact of stakeholder engagement on institutional productivity within selected public universities in Uganda. Despite the crucial role that stakeholder involvement plays in ensuring institutional productivity in Ugandan public universities, there has been limited academic exploration and research dedicated to understanding its influence, particularly in the context of these institutions. Over an extended period, public universities in Uganda have experienced diminishing productivity in their core functions of teaching, research, and community outreach, primarily attributed to dwindling financial and human resources. However, the ramifications of stakeholder involvement have been inadequately examined.

The specific objective of this study was to assess the influence of stakeholder involvement on institutional productivity in selected public universities in Uganda, guided by Freeman's (1984) Stakeholder Theory. Employing a descriptive cross-sectional survey research design, the study utilized both quantitative and qualitative research methods to address its research questions and objectives. The target population included key stakeholders such as the university governing council, Vice Chancellor, Academic Registrar, teaching staff, chairpersons of staff associations, guild presidents, and LC1 chairpersons, totaling 1107 individuals. This selection was based on their pivotal roles in stakeholder involvement within public universities. A sample size of 285 respondents was determined using the Krejcie and Morgan table (1970). Data collection involved simple random sampling and purposive sampling methods, utilizing interviews, guides, and questionnaires.

The findings indicated that a significant majority (83%) of the respondents acknowledged that stakeholder involvement contributes to variations in institutional productivity in public universities. Much as involvement may potentially yield positive effects to the organization, if not well handled excessive stakeholder involvement may lead to negative consequences to the organization as stakeholders will focus on their own interests at the expense of organization interests. Recommendation was made that universities implement more inclusive and democratic strategies to enhance stakeholder involvement, thereby fostering institutional productivity. Additionally, future research endeavors could delve into a comparative analysis of organizational politics in public and private universities.

Keywords: Stakeholder, involvement, institutional productivity.



### Introduction

The rising concern across nations revolves around the concept of productivity within public sector institutions. Given the crucial role of institutional productivity plays in a nation, public institutions face immense pressure to enhance their efficiency. Understanding the factors influencing productivity in public sector institutions becomes imperative. Reviewing existing literature on the subject reveals that defining and measuring public sector productivity is challenging, lacking a singular mechanism for improvement. The productivity of public universities holds significant importance as they serve as major contributors to the nation's human resource pool. Consequently, any fluctuations in public university productivity can have a substantial impact on the country's economy. Generally, productivity is perceived as a measure of output generated per unit of input (Gerlach, 2021).

There is a widely held assumption that involving stakeholders in decision-making processes enhances commitment and ownership, leading to improved organizational goals and institutional productivity (Edelenbos and Klijn, 2016). The greater the involvement of individuals in joint processes of common interest, the higher the quality of output. Huybrechts, Mertens, and Rijpens (2018) argue that increased stakeholder participation in decision-making fosters a sense of ownership, resulting in better strategic outcomes for institutions. Consequently, it is crucial for institutional management to identify key stakeholders invested in the organization's success and involve them in decision-making processes to enhance performance.

Institutional productivity is gauged by the actual measured results or output in relation to set objectives and goals. Assessing organizational productivity involves understanding the extent to which institutional goals are achieved. Leaders of institutions must comprehend their organization's productivity rate to determine the necessary course of action. Executives face challenges in pinpointing when changes are required without adequate knowledge of performance (Bourne & Bourne, 2012).

Parmenter (2015) emphasizes that organizational performance evaluates an entity's overall well-being, both financially and non-financially, over a specified time frame. Various quantitative and qualitative indicators are employed to gauge an organization's success. Shaw (2016) highlights that organizational productivity is determined by actual measured results or output concerning predefined objectives and goals. Consequently, understanding organizational productivity aids in assessing an organization's effectiveness in achieving its goals. Gathoni (2016) argues that awareness of an organization's performance rate is essential for managers and owners to identify necessary changes, as executives with performance knowledge are better equipped to discern precise adjustments required in an organization.

### **Statement of the Problem**

The rising concern across nations revolves around the concept of productivity within public sector institutions. Given the crucial role institutional productivity plays in a nation, public institutions face immense pressure to enhance their efficiency. Understanding the factors influencing productivity in public sector institutions becomes imperative. Reviewing existing literature on the subject reveals that defining and measuring public sector productivity is challenging, lacking a singular mechanism for improvement. The productivity of public universities holds significant importance as they serve as major contributors to the nation's human resource pool. Consequently, any fluctuations in public university productivity can have a substantial impact on the country's economy. Generally, productivity is perceived as a measure of output generated per unit of input (Gerlach, 2021).



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### Literature Review

### Introduction

This section gives an overview of literature to understand the intricacies of stakeholder involvement in public universities in Uganda and its resultant effect on productivity. It provides basic definition of concepts used in the research including stakeholders, stakeholders" involvement and productivity. A review of theoretical and empirical literature, together with conceptual framework is also covered in the section including the research gaps.

### Concept of productivity in public universities.

Scholars offer varying definitions of university productivity based on different perspectives. The evaluation of productivity in the public sector is a complex matter influenced not only by the defining scholar but also by factors specific to each public entity (Charles et al., 2019; Kämäräinen et al., 2016; Tchapchet et al., 2014).

Cheong and Kim (2017), in their examination of productivity determinants in the public sector, particularly focusing on the impact of conflicts and politics, assert that organizational productivity is a socially constructed phenomenon, intricate and challenging to quantify within public entities. Addressing organizational politics in Sub-Saharan African public universities is crucial for enhancing productivity and competitiveness. This study underscores that negative consequences of organizational politics can impede education quality, diminish institutional reputation, and hinder the development of a conducive learning environment. Consequently, these issues may hinder universities' ability to attract talented





faculty, secure research grants, and establish strong partnerships with industries and other stakeholders (César, 2021).

César's (2021) research highlights the significance of addressing organizational politics in governmentfunded universities in Sub-Saharan Africa to bolster productivity and competitiveness. The study emphasizes that the adverse effects of organizational politics, including compromised education quality and institutional reputation, as well as an unfavorable learning environment, can hinder universities' capacity to attract skilled faculty, secure research grants, and build robust partnerships with industries and other stakeholders.

Various schools of thought have identified multiple factors influencing organizational productivity, including organizational culture, clearly defined institutional goals, human resource capacity, institutional structure, bureaucracy, employee alignment, management styles, strong leadership, adequate resources, political support, and stakeholder relationships (Ayers, 2015; Cheong & Kim, 2017; Giauque et al., 2013), with limited attention to stakeholder involvement.

Ocampo et al.'s (2022) research on enhancing the innovation potential of Swiss universities reveals that factors such as institutional support, reward systems, research funding, organizational culture, mentoring, global innovativeness, and electronic information resources significantly impact research productivity in higher education. However, the study does not explore the influence of organizational politics on productivity, focusing solely on research productivity.

Nimtrakoon (2015) assessed the innovative output of ASEAN nations, emphasizing the role of Research and Development initiatives in driving organizational productivity and market output, especially in developing economies. While innovation initiatives primarily target industries, there is a growing recognition of the importance of considering academic institutions. Consequently, higher learning institutions have adopted support systems for research activity, and governments have implemented quality assurance systems to hold universities accountable for research performance. Public universities have numerous stakeholders (Nguyen et al., 2023), and this study concentrates on specific stakeholders, including the state, employees, university governing councils, Ministry of Education and Sports (MoES), the National Council for Higher Education (NCHE), Uganda National Students Associations (UNSA), National Union of Educational Institutions (NUEI), and local communities.

### Stakeholder involvement and institutional productivity

Dependent on their capacity to adopt effective leadership approaches (Cho, 2017), public universities face a notably intricate array of stakeholders, and neglecting these stakeholder relationships may result in limited success (Kettunen, 2015).

The term "stakeholder" encompasses any actor—individuals, groups, or institutions—with a stake or interest in an organization. Typically, each stakeholder possesses a specific interest or mission, participating in the pursuit of set goals (Conner, 2019; Kivits and Sawang, 2021). Stakeholder involvement entails collaborating with individuals, groups, or institutions having a vested interest in the organization and utilizing available resources collectively to achieve institutional objectives.

Therefore, it is crucial for each institution to conduct stakeholder mapping to identify their stakeholders, understand their interests and demands, and assess their relevance to the institutions. In this context, the research aims to determine the impact of stakeholder involvement on the productivity of public universities in Uganda. This investigation is significant, as stakeholder theory contends that managing





relevant stakeholders is a strategy for organizations to cultivate valuable relationships and gain a competitive advantage.

There is a widespread belief that stakeholder involvement positively influences organizational productivity (White & Fitzpatrick, 2018). Studies in the U.S. education sector emphasize planning, monitoring, and feedback as key components of effective stakeholder engagement.

Public university stakeholders encompass politicians, employees, employee associations, students, student leaders, local communities, the Board of Management, the National Council of Higher Education (NCHE), the Ministry of Education, the government, suppliers, parents, and the state. Stakeholders' interests are diverse, and they wield varying levels of power and influence, with distinct stakes in the organization's affairs. This disparity influences their impact on different decisions, aiding in the determination of which stakeholders are prioritized at different decision-making levels (Stefan et al., 2023).

Stakeholder involvement is viewed as collaboration with all individuals, groups, or entities affected by the organization's activities—such as local communities, the state, government agencies, politicians, suppliers, students, and employees—during decision-making and other organizational activities to achieve optimal outcomes. In this research, stakeholder involvement is operationalized as engagement, empowerment, representation, voting, decision-making, feedback, and collective action within institutions The engagement of stakeholders within an organization serves as a managerial concept reflecting power dynamics, indicating the managerial style adopted—whether democratic, laissez-faire, autocratic, or authoritarian. The management styles employed by organizational leaders, according to Maj (2015), significantly impact how managers within organizations conduct their operations. Organizations, as per Maj, are conglomerates of stakeholders with diverse needs, interests, and opinions that require effective management. Hence, organizational management is tasked with overseeing stakeholders to ensure their interests and rights are well addressed, fostering their active participation in decision-making for optimal institutional performance.

Involvement, as described by Zubair et al. (2015), is a political process encompassing various actors with biases, stereotypes, concerns, and needs. This term is closely associated with political engagement or participation, recognized as a fundamental aspect of good governance. Within the University senate, a diverse set of stakeholders, including employees, student guild leaders, representatives from the Ministry of Education and Sports, and trade unions, contribute to civic activities, reflecting their active participation in organizational decision-making. Individuals engaged in civic matters acquire additional skills and experiences beneficial for organizational decision-making. Despite this, limited research explores the impact of stakeholder involvement on organizational productivity. However, research suggests that stakeholder involvement in decision-making leads to the smooth implementation of resolutions within the institution and fosters satisfaction because all stakeholders have been included (Imam et al., 2013).

Involvement is a crucial component of democracy and good governance. Most public institutions embrace democratic principles such as accountability, participation, the election of leaders, and equity in their processes, including the democratic election of deans, heads of departments, and staff associations. Institutions valuing involvement emphasize stakeholder participation in decision-making as an empowering practice (Dobre, 2013; Manyonyi, 2012). For decisions requiring confidentiality, only a select few stakeholders are involved, while for others, stakeholders are included as much as possible. According to Manyonyi (2015), decisions impacting people or groups should involve consulting and discussing with them to gather opinions and generate new ideas.



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Klemencic (2020), in a study on student representation in Western Europe, identified representative organizations in universities, such as workers' associations, trade unions, student councils, and unions, with the primary goal of safeguarding the interests of their members—students and employees. These associations operate at various levels of university governance, from the faculty and departmental levels to institutional, regional, national, and the European Union level, where national representative organizations converge in the European Staff or Students' Union (ESU). These staff and student associations share similarities in organizing, aggregating, and mediating staff and student interests, providing support to the activities of employees and students.

Yang et al. (2018), in their study on China's undergraduates' political participation activities, highlighted representation approaches involving participation in board politics, such as board meetings, ad hoc committees, task forces, lobbying, and issue advocacy. In such cases, students are considered legitimate actors in university decision-making processes on matters that concern them. Students also participate in implementing university-agreed positions. However, the study does not explicitly explore how this form of student involvement or representation affects institutional productivity

Incorporating stakeholders in decision-making yields favorable outcomes and potential cost reductions. A case study illustrated an organization consulting its workers on effective motivation strategies. The employees suggested simple yet impactful measures like taking breaks in two-hour blocks and providing coffee cups with lids for desk work without interrupting breaks. Such practical suggestions may not emerge from top leadership board meetings but showcase the value of stakeholder input (Hosein et al., 2013). Stakeholder empowerment is crucial, fostering internal justification for decision-making and contributing to solution finding.

Teamwork stands out as a critical element for organizational efficiency, especially in the context of advancing technology. Pfaff's (2003) research highlighted the necessity of teamwork across various organizations, including non-profit entities. Participatory decision-making, according to Mullins (2005), correlates with higher performance, essential for survival in an increasingly competitive world. Verma (1995) emphasized that employee engagement in decision-making aligns them with organizational goals, reducing boredom and frustration. Participative decision-making not only enhances job satisfaction but also leads to better quality decisions, benefiting both employers and employees.

Stakeholder engagement, especially involving students in decision-making and co-creating educational experiences, has a positive impact on student engagement, retention, and academic achievement (Chris et al., 2019). This can enhance institutional productivity by fostering a supportive learning environment and promoting student success. However, the study concentrated on stakeholder engagement and student wellbeing in the United Kingdom. This research aims to address gaps related to stakeholder engagement and institutional productivity in public universities in Uganda.

Ugwu et al. (2019) explored the effect of stakeholder involvement on institutional productivity in Nigerian universities. The findings revealed a positive association between greater stakeholder involvement and improved performance outcomes, including academic excellence and research productivity. Effective stakeholder engagement aligns goals and fosters collaboration, enhancing institutional productivity. The study also indicated that involving key stakeholders increases their satisfaction with the organization and commitment, although it did not elaborate on how this directly impacts institutional productivity

Influence from stakeholders can extend to faculty job satisfaction, creating a ripple effect on productivity. An analysis exploring the connection between internal and external stakeholder engagement in higher education institutions discovered a positive correlation between heightened stakeholder involvement and



increased job satisfaction among faculty members. Content and satisfied faculty members tend to be more productive, actively contribute to institutional objectives, and foster positive interactions with students (Stephen, 2018).

Public universities have been exploring collaborative governance approaches, involving stakeholders in decision-making processes. A study investigating the impact of collaborative governance on stakeholder satisfaction and institutional performance found that these practices positively influenced stakeholder satisfaction, consequently enhancing institutional performance. The engagement of stakeholders in governance processes can lead to heightened productivity and overall success (Roya, Gabriela, & Mauro, 2021).

Stakeholder engagement, particularly with students, has a direct influence on student outcomes and institutional productivity (Alonso-Tapia et al., 2023). Research delving into the connection between academic performance in universities and student engagement unveiled that increased student engagement, inclusive of participation in decision-making processes, was linked to improved academic performance and institutional productivity. Involving students as stakeholders contributes to a more supportive learning environment, positively impacting productivity. It's worth noting that this study primarily focused on students' academic performance concerning emotions, cognition, and behavior.

In a study on the impact of worker participation on productivity in the medical field in Kenya, Kasaya and Munjuri (2018) revealed that involving workers fosters democracy, harnesses their power, and directs manpower toward achieving organizational goals. This underscores the significance of employee involvement in organizational productivity. Kasaya and Munjuri focused solely on employees as stakeholders and specifically on the medical field, therefore the findings may not directly apply to university contexts, necessitating the present study which encompasses various stakeholders in universities

Okoth (2016) explored the impact of stakeholder involvement on organizational performance, strategy formulation, and implementation in tea warehousing companies in Mombasa. The primary data collected demonstrated a positive correlation between stakeholder involvement and the companies' outcomes. Interestingly, positive results were evident even with moderate participant involvement in formulating and implementing the company's strategy. It's essential to note that this study was conducted in a private company or factory, presenting a distinct environment from academic institutions such as universities, thereby compelling the present study.

Chepkoech and Waiganjo (2015) delved into the influence of other actors on the implementation of strategic change in the National Bank of Kenya. Employing a descriptive research design, the study selected 120 managers from Nairobi Central Business District (CBD) National Bank Kenya (NBK) branches as respondents. The research discovered the crucial role played by other actors in executing transformation strategy. While sharing similarities with the current research, their study differed in terms of scope and content.

Ochunga and Awiti (2017) investigated the impact of stakeholder input on the sustainability of development programs in organizations run by Plan International, focusing on various forms of stakeholder participation (passive, collaborative, functional, and optimum). The findings emphasized the significance of regular stakeholder communication and active involvement in planning, controlling ventures, and making key decisions. Additionally, involving stakeholders in organizational decision-making and committee formation enhanced effectiveness and participation levels. The study concluded that inadequate stakeholder training negatively affects project sustainability. However, it's important to



note that the research had limitations, particularly in knowledge areas, as it only examined one county, Turkana, omitting six other counties in arid lands, limiting the generalizability of the study outcomes due to varying environments in the other counties.

In Uganda, Atwijukire (2015) conducted an analysis of stakeholder involvement and the performance of public institutions, specifically in the National Medical Stores in the public sector. The study revealed a positive and significant relationship between stakeholder involvement in monitoring and the productivity of public institutions. Moreover, the productivity of public institutions was found to positively influence stakeholder monitoring. The study recommended government collaboration with stakeholders for monitoring and evaluating government programs to enhance overall output

Klemencic (2020) posits that organizational representation finds its roots in the principles of participatory democracy. Within universities, participatory democracy is exemplified through shared governance structures that enable key stakeholders, including students, to engage in decision-making processes. While European higher education institutions are notably recognized for strongly upholding shared governance principles, similar practices are observed globally in public higher education institutions, including nations like Nigeria, Kenya, and Uganda. In these countries, students and staff members actively participate in governing councils and senates. In the broader context of national or supranational public policy processes, staff members and students convey their interests to public authorities through representatives, associations, and unions. Stakeholder participation is primarily justified by resource dependency, where political resources are distributed among various public and private entities, compelling government or university leaders to include these actors in decision-making to ensure effective policy formulation, legitimize adopted policies, and uphold accountability.

As per Alapo (2018), every stakeholder linked to the organization possesses power and the capability to exert it, regardless of their affiliation, sexual orientation, age, or position within the agency. Empowerment of stakeholders, particularly those playing pivotal roles in organizational productivity, occurs when leadership delegates authority (Ibua, 2014). Empowerment grants individuals the authority to take initiative and fulfill their respective roles within the institution, fostering a sense of ownership and accountability towards the organization. Political skills are crucial to prevent the misuse or destructive use of the power held by stakeholders (Alapo, 2018). The degree of empowerment is reflected in stakeholders' ability to pursue corporate goals, creating a dedicated and integral part of the organization. Over time, stakeholders gain a deeper understanding of the organization's processes, acquiring knowledge and internalizing justifications for their actions, which motivates them to support the institution. Patterson et al. (2018) and Ibua (2014) note that empowered stakeholders are inclined to value the organization's principles and understand their roles well.

The management's openness and willingness to involve stakeholders directly correlate with the extent of authority granted to key stakeholders in decision-making within their areas of influence. Organizations initiate stakeholder empowerment by transitioning towards more transparent and participative forms of management (Matthews & Dollinger, 2023). According to Ibua (2014), the level of authority at the disposal of organizational stakeholders is directly linked to the organization's productivity

In their investigation, Beerkens and Udam (2017) emphasize that communication among diverse stakeholders typically mitigates differences. Stakeholder engagement plays a crucial role in fostering mutual understanding through effective communication methods. Universities bear the responsibility of actively involving all stakeholders as a strategic approach for inclusion, consensus, and control to promote fairness and ensure effective stakeholder management (Mwesigwa et al., 2019). Engaging various



stakeholders ensures the institution's accountability and responsibility through their participation in decision-making and governance. Effective stakeholder engagement results in innovative solutions to address their demands and concerns, promoting accountability, ownership, and transparency (Brown & Hicks, 2013). Stakeholder engagement involves actively soliciting the opinions of stakeholders regarding their connection with the institution.

While the government may not directly manage universities, it plays a significant role in funding, sponsoring students, designing, supervising, monitoring, and engaging other stakeholders for the benefit of the university. Governments have historically contributed to the promotion of university education. For instance, in 1872, the U.S. issued the Morrill Land Grant Act, granting land for the establishment of colleges that later evolved into prominent U.S. universities. Furthermore, in 1944, the U.S. government enacted the G. I. Bill, encouraging U.S. soldiers to return to school after World War II, resulting in mass enrollments at universities (Avici et al., 2015). Governments regulate higher education through policy guidelines and regulations, and in the U.S., federal mandated laws, while in African countries, most have university regulating bodies, as illustrated in Appendix XV.

The National Council for Higher Education (NCHE) holds a pivotal role as a significant stakeholder overseeing the operations of tertiary institutions in Uganda, ensuring compliance with legal standards. Universities formulate specific rules, policies, and practices aligned with their unique strategies (Bakshi et al., 2014). For an organization to be effective, its policies should harmonize with foundational elements like purpose, vision, and goals. Once the necessary laws and regulations are established, organizations guide stakeholders' actions in accordance with the institution's mission. Policies, regulations, or practices are implemented by institutions to encourage stakeholders to align their actions with the institution's strategy (Ebeguki et al., 2022

University students are vital stakeholders, possessing rights and privileges, with universities primarily engaging them through student guild councils and other student associations. In Uganda, student representation on university governing bodies is mandatory, and students are actively consulted and involved in decision-making processes. The community, encompassing parents, neighboring residents, and political leaders, is also integral to the university's stakeholders. In countries such as the U.S., parents have associations, like the College Parents of America, that advocate for their children (Avici et al., 2015; Buijs & Langguth, 2017).

However, excessive involvement can be detrimental when demands are unrealistic. Saiyadain (2017) pointed out potential issues arising from excessive involvement, citing a case study in a public sector fertilizer organization. The organization faced challenges such as overwork, excessive hiring, and transition from mechanized to manual operations, and indiscipline due to external pressures. Politics is inherent in organizations, influencing individual behavior (Buchanan & Badham, 2020), and power dynamics are inevitable, leading to the presence of politics in organizational settings.

Chawuke's (2018) study on stakeholder networks in public policy development emphasizes the importance of efficient coordination and transparent communication with stakeholders. Achieving success in public policy necessitates well-coordinated stakeholder engagement that mirrors shared societal values and promotes public accountability in government. Inadequate coordination can result in stakeholder unrest, posing challenges for the organization.

Stakeholder involvement demands a significant investment of time and resources for success. It extends the time needed to achieve organizational output, and there is no guarantee that the extra time results in increased performance. Organizations often operate on tight budgets and may lack the skills to effectively



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engage stakeholders. Training stakeholders and ensuring their proper engagement pose challenges for institutions (Cottrell et al., 2015). Identifying and involving stakeholders appropriately based on the issue at hand and their areas of interest is emphasized by Cottrell et al. (2015). Proper procedures and skills are essential for successful stakeholder involvement, and some suggest developing a database of "good stakeholders" for easy access when needed. Therefore, organizations benefit from stakeholder involvement when proper skills are employed to implement the process and procedures effectively

Comparing the value of different stakeholder inputs proves challenging, as typically only a subset of stakeholders participates in specific programs. Identifying whether a particular stakeholder's input is an outlier or influenced by personal or political motives becomes difficult. Not all input holds equal weight, making it tricky to determine which points to incorporate. Striking a balance between making stakeholders feel valued and recognizing resource limitations is crucial. There's apprehension about meeting expectations associated with positively responding to all opinions expressed through stakeholder engagement. Stakeholders might feel pressured to contribute novel insights or raise issues that align with the institution's goals and yet maintain their individual goals as well. Additionally, stakeholders may feel intimidated or under pressure to represent a large population.

Adewale and Munano (2015) examined the relationship between stakeholder involvement in strategic planning and organizational productivity, focusing on Venda University in South Africa. The study emphasized that stakeholder participation in the strategic planning process is not just a requirement but an obligation. It recommended successful strategic plan implementation with the support of all stakeholders from the initial planning stage.

### **Theoretical Framework**

This research undertook an examination of stakeholder involvement, specifically exploring its association with institutional productivity. In this context, the stakeholder theory was deemed suitable for elucidating the intricate dynamics of relationships among stakeholders within public universities.

Distinct stakeholders in any institution represent diverse interests, stakes, and power centers. Rewards granted to employees, as proposed by political theorists, function as a manifestation of power. This entails a commitment to enhance employer productivity through incentives such as salary increments, where the power holder possesses the discretion to provide or withhold desirable elements for the employee (Omisore & Nkweke, 2014). Public universities operate within a bureaucratic system characterized by an emphasis on standardized operating procedures, structured coordination, a preference for formality, and strict adherence to rules (Wanjiku & Agusioma, 2014). Unfortunately, such a system may hinder institutional productivity, particularly by constraining stakeholder participation and involvement. The bureaucratic theory tends to downplay the significance of stakeholder influence on the effectiveness and efficiency of operations within an organization. While it acknowledges the impact of the external environment on organizational operations, it assumes that an efficient bureaucracy can function almost independently due to its hierarchical structure and the presence of professional bureaucrats in key roles (Pedro & Paul, 2022).

### **Stakeholder Theory**

Freeman et al (2020) introduces the stakeholder theory, defining a stakeholder as "any group or individual who may influence or be influenced by the achievement of the company's objectives." According to Freeman, a public or private organization should consider all those affected by its operations, and



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stakeholders are identified as "those groups without whose support the organization would cease to exist" (ibid). Stakeholders can be categorized into internal and external groups. For public universities, internal stakeholders encompass employees, students, management, and workers' associations, while external stakeholders include prospective students, suppliers, political action groups, environmental groups, the state, and the community. This conceptualization views the organizational environment as an "ecosystem of interconnected groups," emphasizing the necessity to address and satisfy all stakeholders to ensure the organization's health and prosperity. Hence, an organization's success is contingent on how it integrates stakeholders' interests into its operations (Slabá, 2015).

In response to the increasing demand for accountability and involvement in university governance from stakeholders, universities must no longer remain closed institutions (Gnan et al., 2013; Kimberly & Bouchiki, 2016; Patria, 2012). The involvement of public university stakeholders (state through MOES & NCHE, governing councils, employees, community, and students) introduces a political dimension, as managing diverse stakeholders requires political skills. Stakeholder theory, as understood through various lenses, including the strategic level, multiple-trustee approach, and "new synthesis" model, plays a crucial role in comprehending the dynamics of stakeholder influence (Omondi and Kimutai, 2018:22).

This research incorporates the stakeholder theory to enhance the understanding of potential shifts in power dynamics within higher education institutions. Stakeholders, with their influence and interests, become central concepts in political science, making the analysis of policy implementation both intriguing and essential. By examining the impact of governance tools on stakeholder influence in universities and identifying key actors in this dynamic, the research aims to provide insight into university practices and their linkages to national policy.

The stakeholder theory is pertinent to this study as it outlines the responsibilities of key stakeholders in public universities, including the state, university council, workers' unions, student guild, and community interests. The interactions and relationships among these stakeholders create dynamics of cooperation and conflicts that significantly influence public university institutional productivity. To enhance the stakeholder theory, the political stakeholder theory, developed by Tricia (2017), is introduced. This extension addresses the unique role of the state, recognizing its distinct influence on stakeholder legitimacy. The state's policy is crucial for stakeholder legitimacy, which, in turn, intricately ties the organization's legitimacy to stakeholder legitimacy. In this way, the political stakeholder theory contributes to a comprehensive understanding of the interaction between states and markets and how state policy impacts organizational legitimacy (Tricia, 2017). The involvement aspect is linked with political interference (Callen et al., 2014)

### **Conceptual Framework**

To enhance and clarify the approach for examining the research problem, a conceptual framework serves as the tool crafted to aid the investigation in fulfilling its aim. This framework visually aids in understanding the connections between the variables in the research and enables discussions about their relationships (Magolo, 2017). The conceptual model functions as a structure used by the research to clarify the concepts, ultimately guiding the study's objectives. The depicted conceptual framework has steered the course of this investigation.

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### **Stakeholder Involvement (IV)**

| Stakeholder Involvement               |
|---------------------------------------|
| Coalition building, Collective action |
| Empowerment,                          |
| Representation                        |
| Voting                                |
| Team work                             |

### **Institutional Productivity (DV)**

- Teaching and learning
- **Research & publications**
- Community outreach

### Figure 2.2 Source: Researcher 2018

The conceptual framework outlines the relationship between dependent and independent variables, specifically detailing the impact of Stakeholder Involvement as the independent variable on institutional productivity, the dependent variable, within selected public universities in Uganda. Stakeholder Involvement in this research is gauged through indicators such as teamwork, coalition building, collective action, empowerment, and representation. Institutional productivity is assessed based on activities like community outreaches, research and publications, and teaching and learning. Apart from Stakeholder Involvement serving as the independent variable, external factors can exert both positive and negative influences on institutional productivity. These external factors include political will, the political environment, and government policies, all playing a significant role in shaping overall institutional productivity.

### **Research Methodology**

The research employed a descriptive survey research design, targeting a total of 1,117 respondents, consisting of twenty (20) department heads and seven hundred and eighty-five (785) teaching staff from four selected universities. To ensure a representative sample for all cases, respondents were selected based on their departments using a stratified sampling method. A sample size of 285 participants was determined through simple random sampling. Questionnaires served as the primary data collection tool, with one hundred and five (105) respondents participating in the pilot study but not included in the final analysis. Content validity was employed to assess the instruments' validity, and descriptive statistics such as standard deviation and mean were utilized for analyzing and presenting quantitative data in tables. Table 2.

|     | Productivity                  |       |        |       |        |      |      |       |       |  |
|-----|-------------------------------|-------|--------|-------|--------|------|------|-------|-------|--|
| S/n | Indicators                    | SD    | D      | Ν     | Α      | SA   | Mean | S.D   | Comme |  |
|     |                               | 1     | 2      | 3     | 4      | 5    |      |       | nt    |  |
| D1  | The university promotes       | 1(.4) | 51     | 3     | 197    | 00   | 3.57 | .822  | High  |  |
|     | accountability to the         |       | (20.2) | (1.2) | (78.2) |      |      |       |       |  |
|     | different actors              |       |        |       |        |      |      |       |       |  |
| D2  | The university ensures that   | 18    | 49     | 00    | 184    | 1    | 3.40 | 1.034 | High  |  |
|     | the stakeholders are involved | (7.1) | (19.4) |       | (73.0) | (.4) |      |       |       |  |
|     | in decision making            |       |        |       |        |      |      |       |       |  |

Table 2: The respondents' opinions regarding stakeholder Involvement and Institutional Duaduativity



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| D3 | Different actors are invited to participate in university | 12<br>(4.8) | 34<br>(13.5) | 2(.8) | 204<br>(81.0) | 00   | 3.58  | .896  | High |
|----|---|-------------|--------------|-------|---------------|------|-------|-------|------|
|    | activities  |             |              |       |               |      |       |       |      |
| D4 | Stakeholders are empowered                                | 10          | 42           | 1(.4) | 195           | 4    | 3.56  | .924  | High |
|    | to meaningfully participate                               | (4.0)       | (16.7)       |       | (77.4)        | (1.6 |       |       |      |
|    | in the affairs of the university                          |             |              |       |               | )    |       |       |      |
| D5 | Stakeholders are involved in                              | 7(2.7)      | 29           | 1(.4) | 203           | 12(4 | 3.73  | .832  | High |
|    | decisions making in the                                   |             | (11.5)       |       | (80.6)        | .8)  |       |       |      |
|    | university  |             |              |       |               |      |       |       |      |
| D6 | Management deliberately                                   | 5(2.0)      | 33(13.       | 2(.8) | 196           | 16(6 | 3.73  | .840  | High |
|    | encourages teamwork.                                      |             | 1)           |       | (77.8)        | .3)  |       |       |      |
|    | Average Mean and S.D                                      | 8.8         | 39.7         | 1.5   | 196.5         | 5.5  | 3.595 | 0.891 | High |
|    | Percentage / Variance                                     | 3.5         | 15.7         | 0.6   | 78            | 1.19 |       | .944  |      |

Source (Field Data, 2018)

To conclude, Table 4.12 reveals the respondents' scored average mean value on the status of stakeholder involvement on institutional productivity in public universities in Uganda as 3.595 while the standard deviation was 0.891 and the variance is 0.944 which shows that the sample was homogeneous. The implication is that the status of stakeholder involvement on institutional productivity in public universities in Uganda was not satisfactory and there was no much variation in the responses. It may be deduced from the findings from table 4.12 that involvement doesn't have a significant association on institutional performance on public universities. Therefore, organizational politics may not be enhanced through involvement in public universities.

# Regression analysis on the relationship between involvement and institutional productivity in public universities in Uganda

The regression analysis provides statistical insights into the relationship between involvement and institutional productivity in Ugandan public universities. The finding that involvement contributes 11.3% to institutional productivity is intriguing, indicating a discernible influence. However, the fact that the impact of involvement on institutional productivity is not statistically significant (P= 0.073) introduces an interesting nuance.

This could spark a closer examination of the nature of involvement or the specific dimensions of involvement that are being considered in the study. Are there certain aspects of involvement that might be more influential than others? For instance, is there a distinction between various stakeholders' involvement, or is the level of involvement uniform across different groups? Moreover, it might be valuable to explore whether there are additional factors, internal or external, that could be influencing institutional productivity and are not accounted for in the current analysis. These findings could prompt a more nuanced exploration of the dynamics between involvement and institutional productivity in the context of Ugandan public universities.



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# Table 3. Regression Analysis showing the relationship between Involvement and institutionalproductivity in public universities in Uganda.

| Model Summary |  |        |            |               |                   |       |        |     |      |   |  |
|---------------|--|--------|------------|---------------|-------------------|-------|--------|-----|------|---|--|
| Model         | R  | R      | Adjusted R | Std. Error of | Change Statistics |       |        |     |      |   |  |
|               |  | Square | Square     | the Estimate  | R Square          | F     | df1    | df2 | Sig. | F |  |
|               |  |        |            |               | Change Change C   |       | Change | •   |      |   |  |
| 1             | .113ª  | .013   | .009       | .29343        | .013              | 3.251 | 1      | 250 | .073 |   |  |
| a. Predi      | a. Predictors: (Constant), stakeholder involvement |        |            |               |                   |       |        |     |      |   |  |

#### Source (Field Data, 2018)

The univariate regression analysis provides insights into the nuanced relationship between involvement and institutional productivity. The discovery that a one-unit increase in involvement corresponds to a 1.3% rise in institutional productivity indicates a positive connection, albeit one that is relatively modest.

Recognizing that involvement explains 1.3% of the variation in institutional productivity underscores the complexity of this relationship. This highlights the necessity for a more comprehensive understanding of the factors influencing productivity in public universities in Uganda.

The correlation analysis further substantiates the notion that there is a moderate association (11.3%) between involvement and institutional productivity. Affirming the hypothesis (Ho2) challenges traditional assumptions regarding the direct impact of stakeholder engagement on productivity. It underscores the significance of adopting a nuanced and well-balanced approach to involvement.

These findings rightly draw attention to the potential challenges associated with excessive or misdirected stakeholder participation. This emphasizes the importance of strategic and well-coordinated involvement to prevent potential bottlenecks and ensure that resources are channeled toward productive endeavors. Essentially, the findings encourage a more in-depth exploration of the intricate dynamics between involvement and productivity. This insight could inform future research or practical strategies for stakeholder involvement in public universities in Uganda

### Conclusions

The research findings indicate that engaging various actors or stakeholders plays a crucial role in minimizing risks within the institution, enhancing governance, and fostering collaboration to pool expertise, experience, and knowledge. Successful stakeholder engagement aligns stakeholders' needs with organizational goals, leading to the establishment of an effective strategic development framework. The involvement of stakeholders contributes to the creation of new relationships and collaborative partnerships that yield value. However, while the perspectives and opinions of key organizational actors or stakeholders significantly influence planning and institutional productivity, excessive involvement without clear engagement terms, skills, and expertise can have a detrimental impact on institutional productivity.

### Recommendations

As per the findings of the study, public universities should establish transparent communication systems with both internal and external stakeholders to ensure a clear understanding of the mission and their roles in achieving organizational goals. Facilitate a series of discussions that actively involve stakeholders in dialogue.

Allocate sufficient time and planning for all relevant parties to participate actively, internalize information, and engage in discussions at each stage of the process or project milestone.



A key recommendation is to enhance stakeholder participation by allocating additional resources, focusing on collaboration, team building, and aligning stakeholder activities with the broader mission of the university. This could be attained by offering specific professional development opportunities to all stakeholders. The involvement of stakeholders in university affairs should be well organized and prioritized, promoting democratic values such as free and fair elections, accountability, and equality. Recognizing universities as training grounds for future leaders, deliberate efforts should be in place to support stakeholders, particularly students, in learning and developing their leadership and political skills

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